

MINUTES OF THE  
MARICOPA ASSOCIATION OF GOVERNMENTS  
STREET COMMITTEE

June 14, 2011 1:30 p.m.  
Valley Metro Offices, Suite 1300, Room 13A-C,  
302 North First Avenue, Phoenix, Arizona 85003

MEMBERS ATTENDING

Dan Cook, Chandler, Chairman	Chris Plumb, Maricopa County
Lupe Harriger, ADOT	Ken Hall, Mesa
Charles Andrews, Avondale	Andrew Cooper, Jr., Paradise Valley
* Jose Heredia, Buckeye	Ben Wilson, Peoria
Lance Calvert, El Mirage	Leticia Vargas for Shane L. Silsby, Phoenix
* Tony Rodriguez,	* Janet Martin, Queen Creek
Gila River Indian Community	* Elaine Cabrera, Salt River Pima-Maricopa
Michael Gillespie, Gilbert	Indian Community
Allen Grover for Bob Darr, Glendale	Phil Kercher, Scottsdale
Hugh Bigalk, Goodyear	Nicholas Mascia, Surprise
Gino Turrubiates, Guadalupe	Shelly Seyler, Tempe
Paul Ward for Darryl Crossman,	* Jason Earp, Tolleson
Litchfield Park	Jim Fox, Youngtown

\* Members neither present nor represented by Proxy

OTHERS PRESENT

Lisa Danka, ADOT	Christina Hopes, MAG
John Dickson, ADOT	Eileen Yazzie, MAG
Jodi Rooney, ADOT	Mike Sabatini, Michael Baker Jr
Mayela Sosa, FHWA	Evelyn Ng, City of Scottsdale
Kurt Sharp, Gilbert	Todd Taylor, City of Scottsdale
	Laureen Neu, Strand Assoc.

1     Call to Order

Chairman Dan Cook called the meeting to order at 1:30 p.m.

2.     Approval of the April 12, 2011 Meeting Minutes

The meeting minutes were approved unanimously.

3. Call to the Audience

There were no members of the public at the meeting who expressed a desire to address the Committee.

4. Transportation Programming Manager's Report

The report was abbreviated due to the length of the agenda.

Ms. Yazzie noted that RARF collections were up slightly for the year-to-date and somewhat above forecast.

5. Programming the Fiscal Year 2012 Arterial Life Cycle Program

Ms. Yazzie briefed the Committee on the item. She noted that due to the downturn in the economy, forecasted revenue for the ALCP declined and that this necessitated a programming effort to bring projected project cost commitments into line with forecasted revenue. This had been accomplished by proportional reductions in committed funding to member agencies with ALCP projects and the shifting of ALCP projects that cannot be funded from forecasted ALCP revenue sources to a period outside the funding horizon of the ALCP.

Since this reprogramming, several member agencies have requested to advance construct ALCP projects programmed for the period outside the ALCP funding horizon with their own funds in hopes of obtaining ALCP reimbursement should forecasted revenue increase. This creates a potential liability issue should forecasted revenue not increase sufficiently to cover all advance constructed projects outside the funding horizon and could impact future considerations of the extension of the Regional Transportation Plan.

This issue was referred to the Transportation Review Committee (TRC) and the TRC has in turn referred the issue to the Street Committee for input concerning the reimbursement priority status of projects beyond the ALCP funding horizon that are advanced constructed.

Mr. Lance Calvert asked if there were any advanced constructed projects that will start soon. Ms. Yazzie noted that current information indicated that 62 percent of all projects (\$150 million in project costs) beyond the planning horizon were expected to be advance constructed. Looking forward to the development and extension of the Regional Transportation Plan, this amounts to a large funding commitment.

The Chairman and Ms. Yazzie clarified some issues. First it was noted that should forecasted revenue increase, projects outside the ALCP funding horizon can advance into the ALCP funding horizon, thereby reducing the level of commitment to projects beyond the ALCP funding horizon. Second, it was noted that the policy suggested in the agenda indicated that advance construction of projects would neither affect the priority of the project for advancement into the funding horizon, nor create a funding commitment to the project should funding not be available to reimburse the sponsoring agency for advance constructing the project.

Mr. Gino Turrubiates and Mr. Paul Ward asked for clarification of the next steps to amend the ALCP procedures for advance construction. Ms. Yazzie indicated that it had not been finalized and that she anticipated that the Committee's recommendation would be forwarded to the TRC and from there would proceed to the Management Committee and to the Transportation Policy Committee (TPC). She went on to indicate that she expected future changes to the policies to be initiated with the ALCP Working Group and to then be forwarded through the MAG committee process, starting at the Street Committee.

It was noted by Mr. Ward that the recommendation be modified to reference only projects programmed outside the ALCP funding horizon. With this change, Mr. Calvert moved approval and Ms. Lupe Harringer seconded the motion. The motion carried unanimously.

6. Arterial Life Cycle Program Project Changes Technical Review

Ms. Christina Hopes briefed the Committee on the criteria to be used in approving ALCP changes. These include:

- The changes are to arterials
- The changes have regional benefits
- The changes address congestion and mobility issues
- A justification of why the change is better than the current project

Mr. Kurt Sharp from the Town of Gilbert then gave a presentation on a proposed scope reduction and the combining of two ALCP projects. He described the combined project and indicated that it improved mobility in the area served. The reason for combining the projects was that a previous project had been completed with private funding and that the released regional funding from this project redressed funding shortfalls that impacted the two projects that were to be combined.

Mr. Calvert moved the approval of the request from the Town of Gilbert (attachment 6B) and Mr. Mike Gillespie seconded the motion. The motion was approved unanimously by the Committee.

Mr. Todd Taylor gave a brief presentation on proposed Scottsdale air park changes. These include improved access to the frontage roads of the Pima Freeway and replacing a Hayden Road project that is not needed with a project on Raintree Drive and improvements to three intersections on Frank Lloyd Wright Boulevard.

Mr. Calvert moved approval of the Scottsdale changes (attachment 6D & 6E) and Mr. Allen Grover seconded the motion. The motion carried unanimously.

Mr. Chris Plumb presented a joint proposal from Maricopa County, Surprise and El Mirage to re-segment and re-prioritize El Mirage Road project improvements. This change will allow each agency to manage improvements in its area and will also add a new section to the project. The new section is an arterial roadway.

Mr. Charles Andrews moved approval of the change (attachment 6F) and Mr. Ben Wilson seconded the motion. The motion was approved unanimously.

The request to amend the ALCP with regard to improvements to Happy Valley Road (attachment 6C) was withdrawn by the sponsoring agency.

7. Congestion Management Process (CMP)

This items was not discussed.

8. Federal Highway Administration (FHWA) Inactive Obligations

Ms. Sosa Mayela gave a presentation on inactive obligations - federal aid projects that do not show financial activity for a substantial time period. Ms. Sosa indicated that this is an important issue for the Federal Highway Administration because it indicates poor stewardship of federal funds, ties up federal funds that could be used on other projects and increases chances for waste and theft of federal funds. Inactive project are divided into three tiers based on period of inactivity and amount of federal funding. In 2006 regulations were enacted to allow state transportation agencies to make adjustments for obligated amounts within certain funding ranges, requires federal and state transportation agencies to review inactive projects on a quarterly basis and provides the FHWA with authority to remove funding. Currently, Arizona is at or below the four percent inactive project level, but has been well above this in the past and continued effort is needed to insure that inactive obligations stay at or below the four percent threshold.

Ms. Lisa Denka then briefed the Committee on the reasons why projects were being listed as inactive. These include premature obligation of the project, failure to notify ADOT that a project had been completed and waiting until the completion of projects to submit bills to ADOT. To address these issues ADOT has made a significant effort to inform local agencies of the problems, has hired staff to track obligated projects on a quarterly basis and changed the language in Job Project Agreements (JPA) to require invoicing requirements. In March, the amount of inactive projects declined by 30 million and the share of inactive projects has been reduced to two percent, however, a number of expensive projects will go inactive in September if no action is taken.

She went on to note that FHWA now requires an advertisement date on the obligation request and that draft provisions to be included in agreements to specify that projects will begin work within nine month of obligation, ADOT to be notified of final bid amounts within 30 days of awarding the bid, at least quarterly billing for projects and notification of ADOT within 60 days of the completion of the project.

Mr. Ward suggested that the list of staff to be notified for inactive projects be increased. He also questioned the 60 day notification period for completing projects as legal and other issues could require longer periods. Ms. Denka and Ms. Sosa said that they would work with agencies on a case by case basis.

A general discussion ensued. It was noted that projects obligated through FHWA do not have a deadline for completion, but must show regular financial activity. It was noted that unused federal funding were at risk of recession. It was also noted that the regional programming process did provide room to re-obligate additional funding for projects should it be found that the de-obligation funding did not adequately take into account cost changes.

9. ADOT Local Governments Manual

John Dickson indicated that the Local Governments Section has tripled in the size of its staff, but that they still had a very large work load covering many types of federal funded projects. He then distributed a new organization chart and contact information. He concluded by distributing a guidebook on federal-aid projects.

Jodie Rooney then discussed the draft Local Governments Manual. She noted that the Manual is only one of the tools to be used, that it provides the steps from beginning to end to obligate a project. She noted that it should be available at the end of the year.

She then noted that ADOT was developing a project tracking database that would also be available near the end of the year and that Mesa had helped test the database.

10. Adjournment

The meeting adjourned at 2:51 p.m.